

Message Text

UNCLASSIFIED

PAGE 01 STATE 081754

61

ORIGIN ARA-10

INFO OCT-01 EUR-12 IO-10 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 EB-07 COME-00

AGR-10 TRSE-00 SEC-01 /090 R

DRAFTED BY ARA/PAF:RVFIMBRES:JZ

APPROVED BY ARA/PAF:BBELL

ARA:HRYAN (INFO)

EUR/WE:HMOREN

----- 078005

O R 101825Z APR 75

FM SECSTATE WASHDC

TO AMEMBASSY TEGUCIGALPA IMMEDIATE

INFO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

USMISSION USUN NEW YORK

AMEMBASSY ROME

USCINCSO

UNCLAS STATE 081754

E.O. 11652: N/A

TAGS: PFOR, HO

SUBJECT: SECRET PAYMENTS BY UNITED BRANDS TO FOREIGN
OFFICIALS

REF: STATE 081301

1. WASHINGTON STAR PURSUANT TO FREEDOM OF INFORMATION ACT
REQUESTED STATE DEPARTMENT LETTER TO COUNSEL FOR UNITED
BRANDS, WHICH WAS REFERRED TO IN REFTEL. THIS WAS RELEASED
TO THE NEWSPAPER ON APRIL 9. TEXT IS EXPECTED TO BE
PRINCIPAL ELEMENT IN STAR STORY TODAY.

2. FOLLOWING IS TEXT OF LETTER:

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 081754

"APRIL 3, 1975

"MR. W. CROSBY ROPER, JR.
COVINGTON AND BURLING
888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

"DEAR MR. ROPER:

"ON APRIL 2, 1975, YOU REQUESTED THAT A REPRESENTATIVE OF THE DEPARTMENT OF STATE TESTIFY ON BEHALF OF UNITED BRANDS AT A HEARING TO BE HELD UNDER SECTION 24(B) OF THE SECURITIES AND EXCHANGE ACT OF 1934. IT IS MY UNDERSTANDING THAT THIS HEARING HAS BEEN REQUESTED BY UNITED BRANDS IN AN EFFORT TO PRECLUDE THE DISCLOSURE BY THE SEC OF CERTAIN ACTIVITIES BY UNITED BRANDS OFFICIALS IN HONDURAS.

"THERE IS, AS YOU ARE AWARE, CONSIDERABLE PRESENT INTEREST IN LATIN AMERICA IN THE BEHAVIOR OF TRANSNATIONAL ENTERPRISES. IN RECENT YEARS THE UNITED STATES HAS PARTICIPATED IN DISCUSSIONS OF MULTI-NATIONAL CORPORATE ACTIVITY IN A VARIETY OF FORA. ALTHOUGH THERE ARE ISSUES WITH RESPECT TO MULTI-NATIONAL CORPORATE ACTIVITY ON WHICH THE UNITED STATES AND THE DEVELOPING COUNTRIES DISAGREE, THERE HAS BEEN NO SIGNIFICANT DISAGREEMENT ON THE PROPOSITION THAT MULTINATIONAL CORPORATIONS ENGAGING IN BUSINESS OPPORTUNITIES IN FOREIGN COUNTRIES MUST RESPECT THE LAWS OF THE NATIONS IN WHICH THEY OPERATE, CONSISTENT WITH INTERNATIONAL LAW, AND CONDUCT THEMSELVES AS GOOD CORPORATE CITIZENS OF THOSE NATIONS, REFRAINING FROM IMPROPER INTERFERENCE IN THEIR INTERNAL AFFAIRS. WE HAVE CONSISTENTLY INDICATED THAT WE CANNOT AND DO NOT COUNTENANCE ILLEGAL ACTIVITIES BY U.S. ENTERPRISES ABROAD.

"THE ALLEGED ACTION OF UNITED BRANDS IN HONDURAS, IF IT OCCURRED, CLEARLY WOULD FALL WITHIN THE CATEGORY OF IMPERMISSIBLE ACTIVITY. THE UNITED STATES CONDEMNS SUCH ACTIONS BY U.S. CORPORATIONS IN THE STRONGEST TERMS. THEY COMPLICATE OUR RELATIONS WITH FRIENDLY FOREIGN GOVERNMENTS AND MAKE IT MORE DIFFICULT FOR THE UNITED STATES TO ASSIST OTHER U.S. FIRMS IN THE LAWFUL PURSUIT OF THEIR LEGITIMATE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 081754

BUSINESS INTERESTS ABROAD.

"UNITED BRANDS' HONDURAN ACTIVITIES WERE NOT CONDUCTED WITH THE KNOWLEDGE OR APPROVAL OF THIS GOVERNMENT, AND WERE NOT IN THE NATIONAL INTEREST. UNDER THESE CIRCUMSTANCES, I BELIEVE IT WOULD BE INAPPROPRIATE FOR THE DEPARTMENT OF STATE TO OFFER TESTIMONY IN THE PROPOSED PROCEEDING BEFORE THE SEC UNDER SECTION 24(B) SEEKING

CONFIDENTIAL TREATMENT OF THE INFORMATION.

"SINCERELY, WILLIAM D. ROGERS, ASSISTANT SECRETARY FOR
INTER-AMERICAN AFFAIRS" KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BRIBERY, PRESS COMMENTS, TEXT, DEBT REPAYMENTS, ALLEGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE081754
Document Source: CORE
Document Unique ID: 00
Drafter: RVFIMBRES:JZ
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750125-0487
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750462/aaaacevw.tel
Line Count: 119
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE O81301
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 27 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <27 JUN 2003 by SilvaL0>; APPROVED <21 JAN 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SECRET PAYMENTS BY UNITED BRANDS TO FOREIGN OFFICIALS
TAGS: PFOR, HO, UNITED BRANDS
To: TEGUCIGALPA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006